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May 5, 1994

Mr. William F. Caton, Acting Secretary Federal Communications Commission 1919 M Street, N.W., Room 222 Washington, D.C. 20554 RECEIVED

NAY 5 1994

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

In the Matter of:

800 Data Base Access Tariffs and the 800 Service Management System Tariff

CC Docket No. 93-129

RE: Cincinnati Bell Telephone Company's Supplement to its Direct Case in response to the FCC's Order (DA 94-150) Released February 14, 1994, in CC Docket 93-129

Dear Mr. Caton:

Enclosed for filing are the original and four copies (4) of Cincinnati Bell Telephone Company's Reply to the Opposition in the above captioned proceeding.

Also provided is a duplicate of this letter and the enclosures. Please date stamp and return this duplicate as acknowledgement of its receipt.

Questions regarding this Direct Case should be addressed to Mrs. Jerlian Jones at (513) 397-1408 or faxed to her at (513) 241-9115.

Sincerely,

No. of Copies rec'd

Enclosures

BEFORE THE FEDERAL COMMUNICATIONS COMMISSION WASHINGTON, D.C. 20554

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In the Matter of)	OFFICE OF THE SECRETARY
800 Data Base Access Tariffs and the)	CC Docket No. 93-129
800 Service Management System Tariff)	

REPLY

I. Introduction.

On July 19, 1993, the Common Carrier Bureau ("Bureau") released its Order Designating Issues For Investigation ("Designation Order") with respect to the 800 data base tariffs filed by Cincinnati Bell Telephone Company ("CBT") and other local exchange carriers ("LECs"). CBT filed its Direct Case in compliance with the Designation Order on September 20, 1993. CBT filed a Supplement to Direct Case on March 15, 1994 as a result of the Bureau's Order denying the petitions for waiver of the cost disclosure requirements of paragraph 29 of the Designation Order that had been filed by several LECs. Comments and oppositions regarding the LECs' direct cases were due April 15, 1994. Of the nine comments filed, only two mention CBT's tariff at all and of those two only MCI Telecommunications Corporation ("MCI") raises any issues with respect to CBT's 800 data base tariff.

¹800 Data Base Access Tariffs and the 800 Service Management System Tariff, Order Designating Issues for Investigation, CC Docket No. 93-129, 8 FCC Rcd 5132 (1993).

²800 Data Base Access Tariffs and the 800 Service Management System Tariff, Order, CC Docket No. 93-129, DA 94-99 (released January 31, 1994).

³National Data Corporation listed CBT as one of the LECs that filed a direct case, but National Data did not comment on CBT's tariff.

CBT hereinafter replies to MCI's comments, and demonstrates that MCI's concerns are not justified. CBT also addresses certain other issues of concern to CBT raised by various commenters addressing other LECs' filings.

II. <u>Cost Allocation Methodology</u>.

MCI, in a footnote to its comments,⁴ states that "CBT fails to demonstrate that its allocation methodology will not result in double recovery of costs between 800 database and other services." MCI's comment is totally unfounded. CBT has clearly demonstrated how its allocation methodology will not result in double recovery of costs. Nevertheless, CBT hereinafter reiterates its allocation methodology.

CBT originally used the CCSCIS costing model to allocate common costs between 800 data base and other SS7 services. The CCSCIS model is considered both a trade secret and proprietary by Bell Communications Research, Inc. ("Bellcore"), the owner of CCSCIS. CBT is restricted from disclosing the model to third parties by agreement with Bellcore. After the Bureau's January 31, 1994 Order denying the LECs' petitions for waiver of the requirement to disclose CCSCIS, CBT was forced to employ an alternative methodology to allocate common SS7 costs that could be disclosed on the record in this docket.

CBT has dedicated four STP ports and four SS7 links to providing 800 data base service. Those four ports and four links are not involved in providing any other service. Accordingly, CBT has allocated the entire cost of the ports and links (as well as the associated port termination charges and nonrecurring installation charges) to the 800 data base service. In

⁴MCI Telecommunications Corporation Comments, filed April 15, 1994 in CC Docket No. 93-129 ("MCI Comments") at 20, note 60.

addition, a portion of the total STP costs have been allocated to 800 data base. CBT divided the total STP costs by the total number of STP ports and allocated four STP cost "units" to 800 data base. CBT's allocation methodology is reasonable and will not result in double recovery of costs. The ports, links and transport equipment are used to provide only 800 data base service and only those STP costs proportional to the number of ports dedicated to 800 data base have been included.

III. <u>Definition of Query</u>.

MCI complains that some LECs' definition of "query" is unreasonably vague.⁵ While MCI does not include CBT in the group of LECs with a vague "query" definition, MCI suggests that LECs should not be permitted to apply a query charge if the associated call is not delivered to the interexchange carrier ("IXC"). CBT's tariff imposes a recurring charge for each data base query that returns a valid carrier identification code providing the appropriate routing information. The Commission specifically decided that "LECs may charge IXCs for completed queries even if the LEC never actually delivers the associated call to the IXC." CBT's SCP provider charges CBT when the carrier identification code is returned, whether or not the associated call is ever delivered. In addition, CBT incurs costs for transporting the query to the regional SCP even if the associated call is not delivered. CBT must be permitted to charge for a query regardless of whether the associated call is delivered in order to recover these costs.

⁵MCI Comments at 58-60.

⁶Provision of Access for 800 Service, Second Report and Order, CC Docket No. 86-10, 8 FCC Rcd 907 (1993) at para 14.

MCI's challenge to CBT's (and other LECs') tariff in this respect is inappropriate and should be rejected. CBT's tariff complies with the Commission's orders. Any further consideration as to when LECs may apply their query charge should take place in the context of MCI's pending Petition for Reconsideration on this issue,⁷ and not in connection with the LECs' tariffs.

IV. <u>Demand for 800 Data Base Service</u>.

Some commenters challenge the LECs' demand forecasts and suggest that actual demand figures should be examined since 800 data base service has been in place for almost a year. Based on CBT's actual experience, CBT does not oppose this suggestion. For the 10 months between May 1993 and February 1994, CBT's actual demand for 800 data base service is substantially below its forecasted demand for the same period. This has resulted in CBT's rates for 800 data base service being too low. CBT is considering revising its rates accordingly.

V. <u>Conclusion</u>.

CBT has demonstrated that its 800 data base tariff is reasonable and fully complies with all applicable Commission requirements. The arguments raised by the sole commenter on CBT's filing have been fully rebutted in CBT's Direct Case (as supplemented) and in this Reply.

⁷Provision of Access for 800 Service, CC Docket No. 86-10, Petition for Reconsideration, filed by MCI on March 12, 1993.

⁸E.g., Comments of Sprint Communications Company LP, filed April 15, 1994 in CC Docket No. 93-129 at 15; see Comments of Allnet Communications Services, filed April 15, 1994 in CC Docket No. 93-129 at 7-8.

Accordingly, the Bureau's investigation into CBT's 800 data base tariff should be terminated and the accounting order removed.

Respectfully submitted,

FROST & JACOBS

Bv:

William D. Baskett III Thomas E. Taylor David S. Bence

2500 PNC Center 201 East Fifth Street Cincinnati, Ohio 45202-4182 (513) 651-6800

Attorneys for Cincinnati Bell Telephone Company

Dated: May 5, 1994

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CERTIFICATE OF SERVICE

I, Jerlian Jones, do hereby certify on this fifth, day of May, 1994, that I have caused a copy of the foregoing Reply to Opposition to the Direct Case of **Cincinnati Bell Telephone**Company to be mailed via first class United States mail, postage prepaid, to the persons on this service list.

Jer Zan Jones

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